



2008-09
MONTHLY
FINANCIAL REPORT

AS OF
December 31, 2008

Prepared by:
Finance

January 27, 2009
Cottonwood Heights

The Honorable Mayor and Members of the City Council:

The financial report for the month ending December 31, 2008 is presented for your review and comment. The FY 2008 annual financial statement and independent audit reports have been forwarded to the Utah State Auditors Office. Currently annual IRS earnings statements are being prepared for mailing this week.

General Fund – Revenue

Real Property Taxes – In January, we received the last of FY 2009 property tax distributions until the annual reconciliation at the end March. The reconciliation will tell us what our collection rate and outstanding delinquencies are for 2008. All delinquent collections through August will be added to our FY 2009 property taxes.

Sales Tax Collections – Collections for the city occur two months behind the merchant's collection. The current distributions are included in this report and are slightly ahead of budget, but slightly behind in real dollars at approximately 97.9% of prior year collections at this point in time. The January collections have also confirmed this trend.

E911 Emergency Fees – The City continues to receive a part of the E911 revenues generated on telephones within the City boundaries. Finance has re-evaluated the expectations of improvements to E911 fee reporting by telecommunication companies. It is estimated that at least \$100,000 is still not being reported as Cottonwood Heights' collections. Discussions with the State Tax Commission are continuing in an effort to improve compliance by telecomm companies.

Fee-In-Lieu of Property Taxes – Deferred calendar year 2008 revenues have been posted into fiscal 2009. This tax is slightly tracking ahead of budget and the prior year.

Franchise Taxes (Cable TV) – This revenue source reports and remits on a quarterly basis.

Transient Room Tax Collections – This tax collection is reported by entities on the same schedule as general sales tax reporting. Most collections of this tax occur during the winter ski months.

Licenses and Permits – Business Licensing is on target. Animal licensing collections have made significant improvements in January and are nearly double prior year to date totals. Building permits are on budget. Road Cuts revenues are billed monthly along with over the counter payments. Billings are current.

Intergovernmental Revenues – Class C road funds are paid bi-monthly and were tracking well, but November's distribution of \$128,000 was delayed and is slightly behind expected budget. Liquor Funds were distributed in December, but were short of expectations.

Other Federal Grants (CDBG) are reimbursed to the City as expenses are submitted for funding. We have received one third of budgeted CDBG.

Charges for Service – Zoning revenues appear to be behind the established budget for the year. This is reflective of the fact that new building starts are down.

Fines and Forfeitures – We continue to receive remaining revenues from Salt Lake County Justice Courts on tickets issued prior to July 1, 2007. Currently there are several hundred tickets that are inactive and have a bench warrant assigned to them from the Salt Lake County Justice Court. Revenues from tickets processed through Holladay Justice court are reconciled quarterly and have now been posted and appear to be on budget.

Interest/Miscellaneous – The interest earnings on our PTIF account with the State Treasurer is split among General Fund and Capital Projects Fund and other designated fund balances. Total earnings in all funds in the PTIF for the year are \$116,485. This is 45 percent as much as we earned in the prior year, due mostly to the decrease in interest rates. There has been a reclassification in miscellaneous revenues collected from the Jordan School District to offset the cost of resource city police officers assigned to schools within the city boundary.

General Fund – Expenditures

General Government – The City's annual general liability policy has now been paid for the fiscal year, which results in the Mayor & City Council's budget to look overspent when it is not. The Butlerville Days event in July is the major event during the year, resulting in a large percentage of the Legislative Committees budget also being spent early in the year. All general government expenditures have been moved into the City Manager's line. Data Processing expenditures have now been moved into Finance. All department expenditures are as expected within budgeted amounts. (See additional data on the Community Events and Project / Programs Summary which shows expenditures & revenues through January 21st.)

Public Safety - The Public Safety department includes police, fire and ordinance enforcement. Four months into the operation of the new City police department has continued very well. The police department has purchased a lot of one time items in equipment and information systems. The Unified Fire Authority is paid quarterly. Ordinance Enforcement's expenditures are within budget.

Highways & Public Improvements - Public Works expenditures are within budget. Impact Fee Programs include both Storm Water and Transportation fee projects. The Class C Road program budget is primarily for street lighting, water and the Salt Lake County Public Works contract.

Planning - Department expenditures are within budget.
Business Licensing - Department expenditures are within budget.
Debt Service - The City had no outstanding debt as of prior year-end. We now have entered into a financing agreement to purchase a fleet of police vehicles. With a down payment in the current year, our first debt service payment will be in fiscal year 2010.

General Fund - Other Financing Sources and Uses

Appropriated Beg Balances – Class C Road funds’ beginning balance has been entered with a \$233,950 balance carried forward from FY 2008.

Impact Fees - Impact fee collections are behind budget, reflective of the fact that new building starts are down.

Proceeds from Capital Leases – The capital lease for police vehicles has been funded for \$826,985.

Appropriated General Fund balance – The unreserved general fund balance available from fiscal year 2008 for appropriation is \$275,593

Transfers - Transfers are budgeted and primarily expended at year-end when available funds are known. The original budget transfer to Capital Projects has been reduced approximately \$500,000 due to budget adjustments.

General Fund – Fund Balance

Fund Balance (Expected) - The Beginning Balance Restricted Fund for fiscal year-end 2008 is included on the financial report as currently calculated. It appears that the ending General Fund restricted fund balance will maintain a 6.0 percent balance of \$936,166, and the unrestricted balance actually decreased by \$24,093 to a total of \$275,593. As noted above, the Class C Road funds’ carried forward fund balance of \$233,950 has also been posted.

Capital Projects – Revenue

Grants - Last year we received approximately \$910,000 in grant revenue for capital projects and expect to receive addition grants in the current year.

Revenue - Interest calculations are based on the PTIF earnings rate at the State of Utah Treasurer’s Pool account for the City.

Capital Projects - Expenditures

General Government –This budget includes \$11,650,014 for projects and engineering. Various projects are now itemized as line items in this report.

Capital Projects – Other Financing Sources

Transfers from General Fund – The budgeted transfer of \$2,118,049 from the General Fund will be needed to balance this fund and will be made at year end. This is approximately \$500,000 less than originally budgeted.

Unreserved Capital Projects Beginning Balance – This amount of \$8,856,965 represents the prior year ending balance in the Capital Projects Fund that has been carried forward.

Employee Benefits Fund – an Internal Service Fund

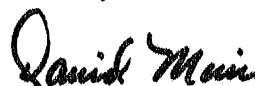
The purpose of this fund is to pay as you go with regards to employee's accrued benefits. This report has been newly formatted and updated. It will now show the total balance in the PTO liability account and any uses during the reporting period. The year-end calculated amount of the potential liability for lump sum payouts has been funded and the adjusting entry has been made equal to potential liabilities. By doing so the City should never find itself with an unexpected or unfunded employee benefit liability. This was funded \$20,428 in FY 2008 based on actual accrued employee PTO (Personal Time Off) and is budgeted to receive an additional \$43,163 funding at year-end.

Community Events & Program/Projects Summary

Attached to this report is a Community Events & Program/Projects Summary. This is a brief summary for budgetary review of expenditures by specific program or project with current balances as of the date listed. The format has changed a little to better reflect remaining available in community events.

I welcome your inquiries and appreciate the opportunity to serve.

Sincerely,

A handwritten signature in black ink that reads "David Muir". The signature is written in a cursive, flowing style.

David Muir
Director of Finance
Cottonwood Heights
"City between the Canyons"

Cottonwood Heights

11 - General Fund

Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual For the Fiscal Period Ending December 31, 2008

50%
Year Elapsed

Description	Adopted Budget	Amended Budget	Current Month Actual	YTD Actual	Outstanding Encumbrance	Uncollected or Available Budget	YTD Actual % of Amended Budget
REVENUES							
TAXES							
Real Property Taxes	\$6,600,000	\$6,600,000	\$3,096,333	\$6,202,213		\$397,787	94%
General Sales and Use Taxes	5,200,000	5,200,000	379,822	\$1,723,107		3,476,893	33%
E911 Emergency Telephone Fees	207,000	207,000	18,673	\$71,806		135,194	35%
Fee-In-Lieu of Property Taxes	500,000	500,000	34,572	\$461,594		38,406	92%
Franchise Taxes - Cable TV	251,654	251,654		\$60,571		191,083	24%
Transient Room Tax	25,000	25,000	440	\$4,715		20,285	19%
TOTAL TAXES	12,783,654	12,783,654	3,529,840	\$8,524,007		4,259,647	67%
LICENSES AND PERMITS							
Business Licenses and Permits	250,000	250,000	59,683	\$112,925		137,075	45%
Animal Licenses & Fees	25,000	25,000	265	\$3,337		21,663	13%
Buildings, Structures and Equipment	250,000	250,000	11,708	\$124,277		125,723	50%
Road Cut Fees	100,000	100,000	250	\$34,265		65,735	34%
TOTAL LICENSES AND PERMITS	625,000	625,000	71,905	\$274,804		350,196	44%
INTERGOVERNMENTAL REVENUE							
Federal Grants	65,000	65,000		\$21,519		43,481	33%
Homeland Security Grant		80,000		\$0		80,000	0%
Justice Assistance Grant		24,174		\$0		24,174	0%
BVP Grant		11,382		\$0		11,382	0%
Crime Victims Assistance Grant		15,080		\$0		15,080	0%
Utah Humanities Council		3,000		\$0		3,000	0%
Highway Safety DUI Grant		14,875		\$2,479		12,396	17%
Class C Roads	1,271,561	1,271,561	128,404	\$561,698		709,863	44%
Liquor Fund Allotment	40,000	40,000	33,563	\$33,563		6,437	84%
TOTAL INTERGOVERNMENTAL REVENUES	1,376,561	1,525,072	161,967	\$619,259		905,813	41%
CHARGES FOR SERVICE							
Zoning and Sub-division Fees	116,000	116,000	7,992	\$25,746		90,254	22%
Sale of Maps and Publications	2,000	2,000	30	\$35		1,965	2%
TOTAL CHARGES FOR SERVICES	118,000	118,000	8,022	\$25,781		92,219	22%
FINES AND FORFEITURES							
Courts Fines	282,790	282,790	97,118	\$142,698		140,092	50%
TOTAL FINES AND FORFEITURES	282,790	282,790	97,118	\$142,698		140,092	50%

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Cottonwood Heights

11 - General Fund

Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual For the Fiscal Period Ending December 31, 2008

50%
Year Elapsed

Description	Adopted Budget	Amended Budget	Current Month Actual	YTD Actual	Outstanding Encumbrance	Uncollected or Available Budget	YTD Actual % of Amended Budget
MISCELLANEOUS REVENUE							
Interest Revenues	\$250,000	\$50,000	\$6,352	\$6,635		\$43,365	13%
Miscellaneous Revenues		19,264	(56,166)	\$32,427	(5,300)	(13,163)	168%
Accident Report Fees		1,000	609	\$30,171		(29,171)	3,017%
TOTAL MISCELLANEOUS REVENUES	250,000	70,264	(49,205)	\$69,234	(5,300)	1,030	99%
TOTAL REVENUES	15,436,005	15,404,780	3,819,648	\$9,655,783	(5,300)	5,748,997	63%
EXPENDITURES							
GENERAL GOVERNMENT							
LEGISLATIVE							
Mayor & City Council	423,567	509,356	9,302	\$304,571		204,785	60%
Legislative Committees & Special Bodies	86,323	116,873	282	\$71,134		45,739	61%
Planning Commission	11,250	11,250	177	\$2,715		8,535	24%
TOTAL LEGISLATIVE	521,140	637,479	9,762	\$378,420		259,059	59%
JUDICIAL							
Courts & City Prosecutor	270,000	270,000	78,441	\$102,112		167,888	38%
TOTAL JUDICIAL	270,000	270,000	78,441	\$102,112		167,888	38%
EXECUTIVE & CENTRAL STAFF							
City Manager	634,409	727,864	53,666	\$320,703		407,161	44%
TOTAL EXECUTIVE & CENTRAL STAFF	634,409	727,864	53,666	\$320,703		407,161	44%
ADMINISTRATIVE AGENCIES							
Finance	239,382	239,418	18,485	\$83,111		156,307	35%
Attorney	165,375	165,375	14,195	\$65,104		100,271	39%
Treasurer	70,449	70,599	5,242	\$33,836		36,763	48%
Recorder	301,515	284,892	18,391	\$133,047		151,845	47%
TOTAL ADMINISTRATIVE AGENCIES	776,721	760,284	56,313	\$315,099		445,185	41%
TOTAL GENERAL GOVERNMENT	2,202,270	2,395,627	198,183	\$1,116,334		1,279,293	47%

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Cottonwood Heights

11 - General Fund

Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual For the Fiscal Period Ending December 31, 2008

Description	Adopted Budget	Amended Budget	Current Month Actual	YTD Actual	Outstanding Encumbrance	Uncollected or Available Budget	50% Year Elapsed	
							YTD Actual % of Amended Budget	YTD Actual % of Amended Budget
PUBLIC SAFETY								
Police	\$5,863,124	\$6,487,603	\$391,536	\$3,838,498	\$18,064	\$2,649,105	59%	
Fire	3,151,987	3,151,987	(138,583)	\$1,427,990		1,723,997	45%	
Ordinance Enforcement	161,200	168,537	11,182	\$75,586		92,951	45%	
TOTAL PUBLIC SAFETY	9,176,311	9,808,127	264,134	\$5,342,074	18,064	4,466,053	54%	
HIGHWAYS AND PUBLIC IMPROVEMENTS								
Public Works (City Dept)	281,195	281,231	13,457	\$107,960		173,271	38%	
Impact Fee Program	60,000	60,000		\$0		60,000	0%	
Class C Road Program	1,271,561	1,495,511	104,588	\$529,426		966,085	35%	
TOTAL HIGHWAYS AND PUBLIC IMPROVMENTS	1,612,756	1,836,742	118,045	\$637,386		1,199,356	35%	
COMMUNITY AND ECON DEV								
Planning	571,170	571,242	39,561	\$242,845		328,397	43%	
Business Licensing	53,701	61,521	4,708	\$28,296		33,225	46%	
TOTAL COMMUNITY AND ECONOMIC DEVELOPMENT	624,871	632,763	44,269	\$271,141		361,622	43%	
DEBT SERVICE								
TOTAL EXPENDITURES	13,616,208	14,673,259	624,631	\$7,366,935	18,064	7,306,324	50%	
Excess (Defic) of Revenues over Expenditures	1,819,797	731,521	3,195,017	\$2,288,848	(23,364)	(1,557,327)	313%	

Cottonwood Heights

11 - General Fund

Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual For the Fiscal Period Ending December 31, 2008

Description	Adopted Budget	Amended Budget	Current Month Actual	YTD Actual	Outstanding Encumbrance	Uncollected or Available Budget	YTD Actual % of Amended Budget	50% Year Elapsed
OTHER FINANCING SOURCES								
Reserved Class C Roads Beg Bal Appropriated		\$223,950		\$223,950		\$0	100%	
Impact Fees - Current Year Collections	60,000	60,000		\$16,485		43,515	27%	
Proceeds from Capital Leases	769,171	826,985		\$826,985		0	100%	
Unreserved Beg Fund Balance Appropriated		275,593		\$275,593		0	100%	
TOTAL OTHER FINANCING SOURCES	829,171	1,386,528		\$1,343,013		43,515	97%	
Subtotal Available Revenues & Sources	2,648,968	2,118,049	3,195,017	\$3,631,860	(23,364)	(1,513,811)	171%	
OTHER FINANCING USES								
Transfers to Capital Projects Fund	2,648,968	2,118,049		\$0		2,118,049	0%	
TOTAL OTHER FINANCING USES	2,648,968	2,118,049		\$0		2,118,049	0%	
Current Change in Fund Balance			3,195,017	\$3,631,860	(23,364)	(3,631,860)	0%	
GENERAL FUND RESTRICTED BALANCE	936,166	936,166		\$936,166			100%	
FUND BALANCE (Expected)	936,166	936,166	3,195,017	\$4,568,027	(23,364)	(3,631,860)	488%	
Fund Balance Detail								
Restricted Fund Balance Ending Prior YE	936,166	936,166	3,195,017	\$936,166			100%	
Current Change In Unrestricted Fund Balance				\$3,631,860	(23,364)	(3,631,860)	0%	

Cottonwood Heights

45 - Capital Projects Fund

Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Period Ending December 31, 2008

50%
Year Elapsed

Description	Adopted Budget	Amended Budget	Current Month Actual	YTD Actual	Outstanding Encumbrance	Uncollected or Available Budget	YTD Actual % of Amended Budget
REVENUES							
State Government Grants		\$375,000		\$0		\$375,000	0%
Interest Revenues	300,000	300,000	13,015	\$110,570		189,430	37%
TOTAL REVENUES	300,000	675,000	13,015	\$110,570		564,430	16%
EXPENDITURES							
Pavement Maintenance	1,200,000	850,000	12,091	\$543,703		306,297	64%
ADA Ramps	200,000	157,000	1,634	\$49,515		107,485	32%
Ft Union Level Course			3,944	\$86,181		(86,181)	0%
Public Works GIS Inventory				\$3,926		(3,926)	0%
Bus Bench Installation	25,000	23,316		\$23,316			100%
Traffic Calming	75,000	75,000	5,990	\$10,529	32,360	64,471	14%
Storm Drain Improvements	450,000	203,833	15,578	\$85,465		118,368	42%
Caballero Storm Drain		58,667		\$58,667		0	100%
Reindeer Storm Drain		233,035		\$233,025		11	100%
Cross Gutter Replacement	50,000	66,756	33	\$12,312		54,444	18%
City Police Station			18	\$107		(107)	0%
County Land Grant	1,937,896	1,937,896		\$0		1,937,896	0%
Big Cottonwood Cyn Trail		1,111,314	318,768	\$682,435		428,879	61%
Parks, Trails and Open Space	4,992,245	5,854,743	7,872	\$211,481		5,643,262	4%
Old Mill Pond				\$333		(333)	0%
Traffic Signal Upgrades	179,820	179,820	1,305	\$17,852		161,968	10%
Street Lighting Program	50,000	26,000	6,247	\$17,329		8,671	67%
Bridge Rehabilitation	75,000	52,000	2,015	\$5,584		46,416	11%
Danish Road Project	225,000	204,000		\$34,458		169,542	17%
Transportation Plan update	20,000	35,000	1,849	\$11,362		23,638	32%
Storm Water Plan update	30,000	30,000		\$65		29,935	0%
Ft Union Timing Study	50,000	50,000	29,182	\$29,182		20,818	58%
Storm Drain Cleaning & Maintenance	100,000	106,534	80	\$6,614		99,920	6%
Park Improvements		75,000		\$0		75,000	0%
Sidewalk Replacements		75,000		\$0		75,000	0%
Miscellaneous Small Projects	225,000	245,100	10,255	\$91,477		153,623	37%
TOTAL EXPENDITURES	9,884,961	11,650,014	416,861	\$2,214,918	32,360	9,435,096	19%
OTHER FINANCING SOURCES							
Transfers from General Fund	2,648,968	2,118,049		\$0		2,118,049	0%
Unreserved Capital Projects Fund Bag Bal Appropriated	6,935,993	8,856,965		\$0		8,856,965	0%
TOTAL OTHER FINANCING SOURCES	9,584,961	10,975,014		\$0		10,975,014	0%
Unrestricted Fund Balance			(403,845)	(\$2,104,348)	(32,360)	2,104,348	0%

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Cottonwood Heights

65-Employee Benefits Fund (an Internal Service Fund)
Statement of Revenues, Expenditures and Changes in Fund Net Assets
For the Fiscal Period Ending December 31, 2008

Description	Adopted Budget	Amended Budget	Current Month Actual	YTD Actual	Outstanding Encumbrance	Uncollected or Available Budget	YTD Actual % of Amended Budget	50% Year Elapsed
OPERATING REVENUES								
Charges for Employee Benefits	\$43,163	\$43,163		(\$1,072)		\$44,235	(2%)	
	43,163	43,163		(\$1,072)		44,235	(2%)	
OPERATING EXPENSES								
Employee Benefits	44,663	44,663		\$0		44,663	0%	
	44,663	44,663		\$0		44,663	0%	
Operating Income (Loss)	(1,500)	(1,500)		(\$1,072)		(428)	71%	
NON-OPERATING REVENUES								
Interest Revenues	1,500	1,500	86	\$631		869	42%	
Change in Non-Current PTO Liability			86	(\$441)		441	0%	
NOTE: Balance of Liability Account								
NON-CURRENT PTO LIABILITY - BEGINNING	(40,292)	(40,292)		(\$40,292)			100%	
Calculated future liability added	(44,663)	(44,663)		\$0		(44,663)	0%	
Current fiscal year usage of fund				(\$6,477)		6,477	0%	
NON-CURRENT PTO LIABILITY - ENDING	(84,955)	(84,955)		(\$46,769)		(38,186)	55%	

Community Events Summary

		Event	Total Budgeted	Expenditures	Remaining Balance
1/21/2009		Revenues	116,873		
BUDGETED AMOUNT>>>>>					
700-Misc City Events	11-546-4112-700	Community Recreation	-	8,341	-
701-Community Clean-up	11-546-4112-701	Community Recreation	-	-	-
705-Sub for Santa	11-546-4112-705	Community Recreation	1,255	1,211	44
710-Youth City Council	11-546-4112-710	Community Recreation	433	459	-
711-City Birthday	11-546-4112-711	Community Recreation	-	-	-
713-Bark in the Park	11-546-4112-713	Community Recreation	-	-	-
714-Night Out Against Crime	11-546-4112-714	Community Recreation	-	11,791	-
715-Light the Night	11-546-4112-715	Community Recreation	-	-	-
716-Easter Egg Event	11-546-4112-716	Community Recreation	-	-	-
717-Appreciation Dinner Event	11-546-4112-717	Community Recreation	-	-	-
718-Tennis Title Sponsor Event	11-546-4112-718	Community Recreation	-	1,500	-
719-Movie in the Park Event	11-546-4112-719	Community Recreation	-	-	-
720-Meet the Candidate Event	11-546-4112-720	Community Recreation	-	2,154	-
721-Turkey Day Run	11-546-4112-721	Community Recreation	-	5,000	-
722-Relay for Life	11-546-4112-722	Community Recreation	-	-	-
724-Butterville Days	11-546-4112-724	Community Recreation	29,023	72,924	-
725-City History Comm/Utah Humanities Coi	11-546-4112-725	Community Recreation	-	4,152	3,000
726-City Cycling Committee	11-546-4112-726	Community Recreation	-	4,000	4,000
501-Local ZAP - Butterville Days	11-546-4112-501	Community Recreation	-	-	-
UNALLOCATED >>>>>>>			36,007		36,007
Totals			30,711	116,873	104,533
					43,051

Other Programs/Projects

		Program	Funds	Budget	Expenditures	Remaining Budget
1/21/2009			Booked			
Community Development Block Grant (200)	Federal		21,519	65,000	6,644	58,356
Arbor Day Grant (201)	Federal		-	-	-	-
Homeland Security Grant (202)	Federal		-	-	4,000	(4,000)
Storm Water Impact Fees (350)	Fees & Assessments		6,128	30,000	-	30,000
Transportation Impact Fees (351)	Fees & Assessments		11,243	30,000	-	30,000
Citizen CERT Training (402)	State Programs		-	-	-	-
Class C Roads (415)	State Programs		789,760	1,271,561	542,058	729,503
50/50 Citizen Funds (415)	City Initiatives		10,001	-	-	-
Private Donations - K-9 (802)	City Initiatives		11,500	11,500	9,922	1,578
Private Donations - Dare (803)	City Initiatives		3,500	3,500	3,925	(425)
Private Donations - Crime Victims Fund (804)	City Initiatives		-	15,080	4,379	10,701
New School District (805)	City Initiatives		-	-	3,943	(3,943)
Justive Assistance Grants (806)	Public Safety		-	24,174	3,423	20,751
BVP Grant (807)	Public Safety		-	11,382	0.00	11,382
State DUI-OT Grant	Public Safety		2,479	14,875	0.00	14,875
			856,130	1,477,072	578,294	898,778

Capital Projects

See report on page 10 for Capital Projects.